VZCZCXRO4366 OO RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHJA #0801/01 1130904 ZNY CCCCC ZZH O 220904Z APR 08 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC IMMEDIATE 8773 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHBJ/AMEMBASSY BEIJING PRIORITY 4970 RUEHBY/AMEMBASSY CANBERRA PRIORITY 2373 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 0478 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1778 RUEHPB/AMEMBASSY PORT MORESBY PRIORITY 3773 RUEHKO/AMEMBASSY TOKYO PRIORITY 1858 RUEHWL/AMEMBASSY WELLINGTON PRIORITY 2567 RUEHHK/AMCONSUL HONG KONG 2617 RUEHBAD/AMCONSUL PERTH 0729 RHHJJPI/USPACOM HONOLULU HI RHEHNSC/NSC WASHDC RUEAIIA/CIA WASHDC RUEKJCS/SECDEF WASHDC RHEFDIA/DIA WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 03 JAKARTA 000801

STPDIS

SIPDIS

DEPT FOR EAP, EAP/MTS, EAP/MLS NSC FOR EPHU

E.O. 12958: DECL: 04/22/2018

TAGS: PGOV KDEM KISL ID

SUBJECT: ISLAMIC PARTY EYES 2009 NATIONAL ELECTIONS

JAKARTA 00000801 001.2 OF 003

Classified By: Acting Pol/C Stanley Harsha for reasons 1.4(b,d).

11. (C) SUMMARY: Flush with confidence and momentum following two surprise victories in key regional elections last week (reftels), the Islamic-oriented Prosperous Justice Party (PKS) has re-discovered its swagger just in time to make a mark on the 2009 national elections. By focusing on good governance, job creation, and tolerance, the party has calmed many of its skeptics and increased its popular appeal. While the presidency is almost certainly still out of reach for the party in 2009, PKS appears well positioned to improve its standing in the Parliament and could realistically have a shot at the vice presidency. At a minimum, most analysts believe that in 2009 PKS will have greater leverage--and more options--than it did in 2004 when it entered SBY's coalition as a junior partner. END SUMMARY.

A NEW MODERATE TEMPLATE FOR VICTORY

- 12. (C) Last week was a good week for PKS by any standard. All but left for dead in the April 13 West Java gubernatorial race--Indonesia's largest province--PKS' candidate registered a stunning upset over two better funded, and heavily favored (Note: The election has not been certified yet, but rivals. all leading polling agencies have already declared the race for the PKS candidate.) Then, PKS followed up its signature victory in West Java with another apparent win in North Sumatera's April 16 governor's race. (Note: The North Sumatera election is also awaiting official certification.) While a variety of local factors figured prominently in the two races, in both instances, PKS fielded religious moderates with strong governing track records, and platforms that zeroed in on bread and butter constituent concerns.
- 13. (C) In both West Java and North Sumatera, Islamic

fundamentalist doctrine was conspicuously absent from the PKS campaign playbook. PKS--as has been the case in virtually all local elections since 2004--did not campaign on sharia, or any of the other religious issues often associated with the party. Instead, the party kept its traditional base of support happy by embracing its non-controversial image as the party of Islamic cultural values, but also broadened its appeal by branding itself as a competent agent of change. According to PKS legislator Zulkieflimansyah, the results spoke for themselves, and demonstrated the party would be a force to be reckoned with in 2009.

14. (C) Both elections also stood as evidence of the growing influence of the moderate wing of the party. Zulkieflimansyah told poloffs that some radical elements of PKS had become so discouraged with the direction of the party that they had defected to Hizbut Tahrir Indonesia (HTI). During a highly publicized April 21 PKS book launch, party leaders explicity rejected the idea of an Islamic state. According to Zulkieflimansyah, the PKS party leadership had recognized that PKS would have a relatively low political ceiling if it did not broaden its appeal and establish its modernist credentials. Piety alone could not feed people and create jobs, he added.

2009 LEGISLATIVE ELECTIONS

¶5. (C) PKS appears to have re-captured its momentum and swagger and is poised to make considerable gains in the 2009 legislative elections. While party insiders do not necessarily share People's Consultative Assembly Chair (and PKS party luminary) Hidayat Nur Wahid's optimism that PKS will secure 20 percent of the parliamentary seats in 2009, most party cadres think 12 to 15 percent of the seats is realistic. Political analysts agree, and there is a growing

JAKARTA 00000801 002.2 OF 003

consensus that PKS will take advantage of its strong grassroots infrastructure (second only to Golkar) to leapfrog the other three Islamic-oriented parties currently ahead of it in the parliament. (Note: The United Development Party (PPP) with 10.5 percent of the seats, the National Awakening Party (PKB) with 10 percent of the seats, and the National Mandate Party (PKB) with 9.5 percent of the seats, all currently have a larger presence in the parliament than PKS.)

16. (C) If PKS does in fact win 12 to 15 percent or more of the parliamentary seats in the April 2009 legislative elections, the party will have the power to play a prominent role in the 2009 presidential race. According to the current presidential election law, the only eligible presidential candidates are those nominated by parties, or coalitions, which win either 15 percent of the seats in the DPR, or 20 percent of the overall legislative votes in the 2009 parliamentary election. Though this threshold will likely be lowered to a more manageable level, even President Yudhoyono's own Democratic Party may struggle to meet this threshold on its own. PKS could end up being one of only three parties capable of meeting the threshold by itself (Note: Golkar and the Indonesian Democratic Party of Struggle (PDI-P) are the others.)

THE PRESIDENTIAL RACE

- 17. (C) PKS insiders readily admit that even if the party does win enough parliamentary seats to nominate its own presidential candidate in 2009, the party is not yet ready to make a run for the top job. According to Zulkieflimansyah, PKS is currently focused on developing a strong record of good governance, as well as a pool of talented technocrats. Zulkieflimansyah told poloff that PKS was eyeing 2014 as a more realistic target for the presidency.
- 18. (C) Even though PKS apparently does not have designs on the presidency, the vice-presidency might be another matter entirely. PKS father figure Hidayat Nur Wahid, despite being

from Java island, is often mentioned as a possible running mate for President Yudhoyono, and on many levels the pairing could make strategic sense. If, for example, President Yudhoyono does ultimately decide to part ways with Vice President Kalla and Golkar, PKS could well be the largest unaffiliated political party left standing (former President Megawati is running with PDI-P). In such a scenario, as a member of SBY's governing coalition and a parliamentary heavyweight, PKS would perhaps constitute the most logical political partner for SBY, especially if it does not have its own designs on the presidency. As an added bonus for SBY, Hidayat Nur Wahid is a popular national figure, and the two reportedly get along.

- 19. (C) Even if PKS does not field its own president or vice-president in 2009, PKS support will be coveted by all of the candidates. This will give the party a seat at the table for any and all presidential ticket discussions. In the event President Yudhoyono's party struggles in 2009 and PKS prospers, PKS will have serious leverage with the President if he wishes to maintain the relationship. President Yudhyoyono has all but acknowledged this likelihood--dispatching trusted Finance Minister Mulyani to the aforementioned PKS book launch, for example--and at a minimum will have to offer the party more cabinet positions to salvage the relationship (PKS currently has only two). STOCK ON THE RISE
- 110. (C) The Prosperous Justice Party first rose to prominence with its surprisingly strong performance in the 2004 legislative elections. PKS was quickly branded the "it" Islamic party and seemed to have considerable growth potential. A series of relatively uninspired performances in local elections quickly followed, however, and much of the PKS cachet seemed irrevocably lost.

JAKARTA 00000801 003.2 OF 003

111. (c) By re-inventing itself once again as a tolerant, competent agent of change, PKS appears to have tapped a reservoir of disillusionment with the status quo, and positioned itself for a strong showing in the 2009 national elections. Already a major political force, the future looks even brighter for PKS.

HUME